

The FORUM

Virginia's Labor Market & Occupational Information Newsletter

Volume 10, Number 3

Fall 2010

This Issue's Focus: Entrepreneurship



PLUS: Getting the Most From Working at Home

Welcome to the Fall issue of *The Forum* newsletter.

With steady unemployment and a slow job market, many people are starting to look for alternative solutions for employment. One of those solutions is entrepreneurship and starting one's own business. But, what exactly does it take to become an entrepreneur? This issue focuses on what it takes to become an entrepreneur.

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The Forum is a newsletter produced and distributed quarterly by the Virginia Employment Commission. It can be accessed at www.VirginiaLMI.com under Labor Market Information/Publications.

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Getting the Most From Working at Home—

Whether You Telecommute Part time, Full time, or Work From Home

David Heilbronner,
Principal, WorkteQ

You work from home. Congratulations, you're on the cutting edge of a growing segment of professionals and entrepreneurs. Telecommuting and working from home have some obvious advantages: you get to spend more time with your family, you avoid expensive, frustrating and time-burgling commutes and you get to make sales calls in your bathrobe.

In addition to the fact that no matter how hard you work or how successful your business is, it's nearly impossible to convince your friends, family and especially your parents that you actually have a job, working from home has some other challenges.

The overall key to success is to realize that your home is set up for your personal life, not your professional life. At the office you have all the resources you need to get your job done; at home, you have to decide between what you need, what you can afford and what space allows. At work you have co-workers; at home you have family.

If you're new to or are considering telecommuting or working from home, here are some ideas to help you get off to a good start:

- ▶ Set up a designated office—even if it's just part of a room. When you walk in that area, consider yourself to be punching-in for the day. Make sure the rest of your family respects this area and treats it as your "Corporate Headquarters." Set up your office hours and stick with them. This will help you distinguish between your personal and

professional life and prevent you from getting sidetracked by non-work-related distractions.

- ▶ Designate one outside space or third space as an alternative office or meeting space. Some people use coffee shops; others actually rent office and meeting space by the hour. While etiquette experts say it's fine to work from home,

clients may feel uncomfortable when asked to meet at your home (unless you have a separate office space with a separate entryway). Whether it's the local coffee shop, or even better, a rent-by-the-hour meeting and office space, meeting with clients on the outside of your home office creates a professional impression while still allowing you to retain the

freedom of the work-at-home lifestyle.

- ▶ While one of the much-touted advantages of working at home is the ability to work in your pajamas, avoid that temptation and get dressed. Getting dressed symbolizes the beginning of the day and helps get you into work mode.
- ▶ Install a separate telephone line for your business. If this is not possible, answer your phone in a professional manner during your business hours.



- ▶ Avoid isolation by joining professional organizations, chambers of commerce, or a business networking groups. Also, consider renting space occasionally or even once a week from temporary office space providers.
- ▶ Meet people face-to-face every so often. Even though technology has enabled us to work in virtual space, the power of the face-to-face encounter cannot be underestimated. If you have co-workers, go to lunch. If you work for yourself, be sure to find others who do the same and meet regularly for coffee or lunch.
- ▶ Get broadband cable or DSL. These services are no longer considered luxuries. Your clients and colleagues expect you to have fast Internet access and the ability to view rich websites and receive large files in your email.
- ▶ Consider going wireless. Why tie yourself down to one corner of your office? A wireless router and card for your laptop can be had for around \$100 and will give you great flexibility. Once you have a card, you can stay connected while on the road by stopping by one of the growing number of wireless "Hotspots" available in cafes, hotels and airports.
- ▶ Protect yourself. Make sure you have the latest anti-virus software and keep it updated. Anti-spy software is now just as critical as anti-virus software. Lavasoft's Ad-aware and Spybot Search and Destroy can both be downloaded for free at download.com. Also, consider a personal firewall. Zonealarm, McAfee, and Symantec are just a few of the popular packages available.



- ▶ Consider hiring your own personal "computer geek." You have a plumber, electrician, and a handyman to maintain and fix all of your household appliances, so why treat your computer any differently? Computer technicians typically charge from \$65 to \$125 per hour (just like a plumber) and offer a range of services from keeping your computer and software up to date to installing wireless networks and firewalls. Best of all, they come to you in your home office. Call someone BEFORE you lose your hard drive so that they can be ready for any unforeseen events.

If you take the time to plan ahead and do things smart, you'll find that working from home can be a convenient, productive and rewarding alternative to traditional cube-dwelling office environments.

Source: About.com, "Entrepreneurs"; David Heilbronner is a principal at WorkteQ (www.workteq.com), an office and meeting rental space located in Framingham, Massachusetts.

Business Ideas on a Budget

10 Legitimate Businesses You Can Start for Under \$20

Scott Allen,
former About.com Guide

Whether you're starting a business on the side while still employed elsewhere, a student or homemaker looking for extra income, or unemployed and trying to figure out what to do, there are plenty of opportunities for you to start up a side business inexpensively. It's unlikely any of these will make you a living in the first few months, but they all have the potential to grow into full-time businesses. We'll take a look at 10 such opportunities and, most importantly, tell you what to do with the \$20!

1. Webpreneur

It's what everyone who's ever surfed the Web dreams of—just stick a web site up there and watch the cash roll in! Well, that just doesn't happen overnight, but the fact of the matter is it's really not very hard to do. To do it right, start by picking a subject matter you know a lot about. Then get a domain and create a web site. It doesn't even matter what technology you use—just make it look good and provide plenty of original content. Now find some appropriate affiliate programs—that's where your revenues are going to come from. Next, learn everything you can about search engine marketing and avidly promote your site. Last of all, set aside time every week to put new content on the site, delete dead links, and other maintenance. Now do this three or four times, and you've chosen your topics well, you might actually have some decent income from it.

Spend the \$20 on: \$8 or less for a domain (see our Online Business Guide's list of cheap domain name registrars) and \$12 for a year of hosting (search for "\$1 hosting").

2. Consultant

Getting into consulting is relatively simple. All you have to do is know how to do something better than most people do, and be able to either teach people how to do it or be willing to do it for them. Networking is the key to success in this business,

so start by making a list of everyone you know and giving them all a call.

Spend the \$20 on: \$14 on a box of clean-edge laser or inkjet business cards and \$6 buying your first prospect a cup of coffee one morning.

3. Housesitter / Petsitter



Particularly since 9/11, people feel an increased need for security, and housesitting gives them some reassurance while they're out of town. This one's great because it basically requires no particular skills, just trustworthiness and reliability. Be sure to have personal references available, and you'll also need reliable transportation. If you're an animal lover, petsitting is an easy add-on.

Spend the \$20 on: \$2 on flyers to put up on bulletin boards, and the rest on classified ads in your local neighborhood paper (not a big city-wide one).

4. Professional Organizer

People these days are simply overwhelmed by their “stuff.” While there is an ever-growing trend of people wanting to simplify their lives, most of us haven’t done it yet. It’s not that people really have no clue how to get organized, it just keeps moving to the bottom of the stack, both figuratively and literally. There’s a prime opportunity for people to come in at a reasonable rate and get houses organized. And while there is a National Association of Professional Organizers that you can join when you’re ready, mostly it takes common sense, organizational skills, and a familiarity with what can be had at your local office supply.

Spend the \$20 on: Classified ads.

5. Avon Independent Sales Representative

Cosmetics is a virtually recession-proof business, because it’s an inexpensive way for people to feel good about themselves. Avon is the largest consumer direct sales company in the world, with annual sales of nearly \$6 billion. In business for well over 100 years, they have both a highly reputable product line and one of the few highly reputable multi-level marketing structures (in fact, they invented it). They also offer fashion and wellness products in addition to their beauty products. And while they bill themselves as “The Company for Women,” a fairly substantial number of men have actually been very successful as Avon reps. The secret to making a living at it rather than just a little extra spending money? Build your downline—just like with any other network marketing or direct selling business.

Spend the \$20 on: \$10 signup fee, and \$10 on brochures and a few samples.

6. Personal Services - Shopping & Errands

This is a great one going into the holiday season. Believe it or not, there are people who wouldn’t be caught dead going anywhere near a mall, but they’re not comfortable with buying certain items online, either. Again, trustworthiness and dependability are the key traits for this. If your car’s not reliable, pick something else. Also, you won’t need cash, but you’ll

need available credit on your credit cards, since you really can’t use theirs. Consider an American Express or a Diner’s Club that don’t have preset spending limits. Or use a card that gives cash back reward or frequent flyer miles, and you’ll make a nice little bonus for yourself.

Spend the \$20 on: \$1 on flyers and the rest on classified ads.

7. Desktop Publishing

It’s amazing how many people have a computer and still don’t know how to make a decent flyer! If you’ve got a good design sense, are extremely familiar with your word processor, and already have a laser or high-quality inkjet printer, you can get into desktop publishing. Create a really great-looking portfolio for yourself and go door-to-door.

Spend the \$20 on: Some high-quality paper on which to create your samples.

8. Tutoring



With the growing dissatisfaction with our education system and the huge growth in homeschooling, there’s an unprecedented need for tutors these days for kids of all ages—even adults! If you’ve got a topic you can tutor in, contact the local schools, particularly private ones, and local homeschool groups, and offer your services. Don’t be concerned if your topic is highly specialized—even those are in demand.

Spend the \$20 on: \$14 on a box of clean-edge laser or inkjet business cards and \$6 on flyers.

9. eBay Seller

Yes, there really are people who make a decent living buying things at garage sales and flea markets and selling them on eBay. The big secrets? Stick to products you know (or learn before you start) extremely well, package your goods carefully, and provide impeccable customer service. It helps to have a digital camera or a scanner, but it's not required.

Spend the \$20 on: Your first inventory at a garage sale.

10. Secretarial Service - Typing / Transcription / Proofreading

Many small businesses and individuals have a need for these services, but not enough need to hire a temp through an agency. Assuming you've got a computer,

a printer, and e-mail (and the necessary skills), you're all set. Be prepared to charge by the job, not by the hour.

Spend the \$20 on: \$14 on a box of clean-edge laser or inkjet business cards and \$6 on flyers.

One last thing—beware of home-based business scams that require a substantial buy-in, such as envelope-stuffing or craft item assembly. You may not lose money on it if you stick with it long enough to get really fast at it, but you'll probably never make the kind of money you're expecting to. Better to do something on your own.

Source: About.com, "Entrepreneurs," Scott Allen.



Emphasize *The Business in Home-Based Business* by Jo-Anne Coleman

If you're running a home-based business, you need to be especially conscious of the image your home-based business is presenting to potential customers and/or clients.

The professional environment you work in (live in) is often seen by clients if your business is also your "meet and greet" area; that is if you see your clients in your home office or studio. How they perceive you and your business is reflected in how your home office appears.

An untidy desk, unrelated business clutter, uncomfortable atmosphere, children or pets roaming in or out, all reflect a look of unprofessionalism. Of course it depends on the business you are in. (Children and pets may be fine if you're operating a day care or pet sitting service). As a professional dressmaker, my clients need to feel comfortable and confident; they need to trust I can do the job they require of me.

Plenty of room to park outside, an area for consultation displaying my past work and any accolades received are some of the things I like to offer, things that make sure my home-based business has a business look. These often tell a story about who I am without lengthy discussion. A room decor befitting the "Wedding work" I do, adds to the professional appearance I want them to perceive.

In other words, the atmosphere outside and inside your home office tells a story about you and your business too. The customer is the most important part of your business and they need to feel confident about hiring you. Let your surroundings tell a story for you.

Source: About.com, "Small Business: Canada" (Biz Tip 29), Jo-Anne Coleman, Creative Styling.

FOCUS

With steady unemployment and a slow job market, many people are starting to look for alternative solutions for employment. One of those solutions is entrepreneurship and starting one's own business. But, what exactly does it take to become an entrepreneur? The next several articles can help answer this and other questions about becoming an entrepreneur.

Do You Have What It Takes to Be an Entrepreneur?

By Mitchell York, About.com Guide



Despite the difficult economy—and in many ways because of it—entrepreneurship in America is alive and well. Take a look around you, on Main Street and on the Web. Even when unemployment is high and consumer confidence is low, there are new businesses opening as fast as others are closing. Many of them are being launched by people who lost their jobs and either didn't want to, or could not, find another.

If you're thinking of taking the entrepreneurial plunge, it's important to know what it takes to be successful before you make what could be the biggest financial and emotional commitment of your life. Here are five ways to know if entrepreneurship is right for you.

1. Are You Running Away from a Problem or Running Toward a Vision?

Some people feel they have no choice but to start a business when all they really want is to find a good job. A few of these so-called "forced entrepreneurs" may come up with the next big thing, but many don't have the heart to be in a business for the long run. So do some soul-searching and figure out if you're running toward a defining vision of your future as a business owner, or away from a problem. And if all you really want is a great job, you can learn how to

find one much more easily than you can find success as an entrepreneur.

2. Do You Have Support?

Hillary Clinton was right. It takes a village—not just to raise a child, but to start a business. Before you start a business, you need to have a strong support network in place. It starts with your family. If your spouse/partner and children aren't fully behind your idea, you have more work to do. If you can't "make the sale" to them, how are you going to convince customers to buy from you, partners to do business with you, a supply chain to give you credit, and a bank to give you financing? Entrepreneurship starts at home.

3. Do You Have Deep Reserves?

Conventional wisdom says you should have 6-12 months of living expenses in the bank to live on until your business becomes cash flow positive. That is not nearly enough. I advocate having five years of capital saved. That sounds like a lot...and it is. But most business failures happen because the owner runs out of cash, just at the time when in another few months they may have seen daylight. So have as much of a bankroll as you can to allow for unforeseen contingencies.

4. Do You Have Good Entrepreneur Role Models?

When you were a kid playing in Little League, what major leaguer's batting stance did you imitate? Children always look for cues for modeling their behavior. Smart adults do, too. Look around your circle of family and friends for successful entrepreneurs and figure out what makes them tick. Do you have the same stuff? If not, can you get it? If you don't know anyone personally who you can study, hit the library bookshelf and study up on people like Ray Kroc (founder of McDonald's), Donald Trump, Walt Disney, Oprah Winfrey, Bill Gates, Mary Kay, Howard Schultz (founder of Starbucks) and Michael Dell. Read their memoirs and biographies about them and understand the commonalities of all the greats.

5. Do You Have the Key Skills of Entrepreneurship?

There are hundreds of things you need to know how to do to be a successful entrepreneur, but the most important ones are these:

High Risk Tolerance: You have to be able to stare into the abyss of entrepreneurial uncertainty and not falter.

Excellent Salesmanship: You absolutely have to have at least a little Steve Ballmer in you to be successful as an entrepreneur. You may have the greatest invention in the world, but if you can't communicate its importance to a variety of constituencies (customers, employees, suppliers, lenders), you're not going to succeed.

An Independent Temperament: Entrepreneurs consistently go against the tide. They start companies when others are retrenching; they don't care about being rejected time and time again; and they trust their gut.

Great Negotiating Ability: If you negotiate well for everything from a store lease to contracting services to website design, you'll realize that every dollar saved keeps your business in business through the peaks and valleys of cash flow.

Emotional Intelligence: This is a term coined by behaviorist and author Daniel Goleman. "EI," as it's often referred to, is a set of skills that allows you to understand and influence the behavior of yourself and others. Being able to listen, reason with and persuade is different from being a good negotiator but just as important.

How to Start Up While Still Employed

By Mitchell York, About.com Guide

A good hedge against the risks of starting your own business is to start up while you still have a job that pays a regular salary and benefits. If you're in a position to do that, you'll have the best of both worlds. There are some simple Do's and Don'ts that can guide you as you walk a sometimes fine line between your career and entrepreneurship.

Do's

1. Do consider running your business as a part-time operation alongside your current job. This is a great model because you'll continue to have income and benefits.
2. Do understand and follow your employment contract to the letter, especially if it makes reference to inventions and intellectual property (IP) that you develop as part of your job. Almost always, anything developed on company time and using company property belongs to the company. If you do not have an employment contract, you're still not in the clear. Check the company's Employee Manual for references to ownership of inventions and IP. No manual? Ask your Human Resources manager or someone functioning in that role to explain the policy.
3. Do set aside cash reserves from the income your startup creates that can sustain you when and if you decide to leave your job.
4. Do be as open with your employer as possible. In fact, if your business is not competitive with theirs, see if you can turn them into a customer or client. You may even be able to get your employer to invest in your startup, or allow you to hold equity in a joint venture. If you think you might go the route of having an employer as a customer, investor or partner, get input from a trusted advisor such as an attorney on how to proceed.
5. Do clear the decks. If you are going to do your day job and your part-time business, that doesn't leave much time for non-essential activities. Decide what's really important and dump the rest.

Don'ts

1. Don't use corporate computers or email systems to send any emails related to your business. Even if you log into your webmail account to send email, you still have problems: you are using their property to further your own business, which could present a legal challenge later. They may have the right to read whatever keystrokes you've entered, even if your emails were not entered on the company's email system.

2. Don't feel pressured to leave your job as your business starts to gain traction. New businesses go through life cycles and some early wins do not necessarily mean you have a sustainable enterprise.
3. Don't choose a business that doesn't lend itself to part-time involvement if you can only do it part-time to start. For example, opening a retail food store can be an all-consuming endeavor. If you are not reachable and not hands-on at the beginning stages, you are setting yourself up for potential failure.
4. Don't talk about your part-time business to other employees around the proverbial water-cooler. This could be construed as promoting your business on company time. The silence rule extends to discussions on company time with your employer's clients and suppliers.
5. Don't be afraid to take the leap to full-time entrepreneurship when the time is right. Running a business part-time can be partly successful, but unless you are going to be a passive investor, the business will grow only up to a certain point without the full-time commitment of the owner.

5 Steps to a Meaningful and Successful Business

Tips for Parents With Home-Based Businesses

By Christiane Holbrook

1) Create a Vision

Without a vision of our life and work, we all float in a sea of every day tasks. Like a boat without a rudder, our lives have no direction. Ideas come and go, but we have no compass to guide us. Are you feeling like you're caught in the drift? Take some time to visualize your ideal life. What would a perfect day look like for you? How does family, work, fun, learning etc. fit into your day? Imagine it with color and texture. Fill in all the details. The more clearly you create this vision, the more it will pull you on course to take the right actions at the right time.



2) Build a Support Team

Without a support team in our life and work, it's easy to feel overwhelmed and often isolated. You tell yourself that you don't even have time for a massage or have fun. And now we are talking about building a business? Yet that nagging feeling that there is more to life doesn't go away. What can you do about it? Find people to support you. Find ways to reduce the energy-draining tasks in your life. Find out what gives you joy and pleasure. Focus on the ones that you love doing. Find help for the rest. This works in business and in life! Remember to base your success on the things that you're good at. Focus on your talents and passions. Build a support team for the rest. Success will follow!

3) Explore!

Take some time to find books, search the Internet, find a coach or consultant, talk to successful business owners, and network. You need to research your market. Formulate your vision. And create a realistic business plan. It's important to realize that your business is your product, not the cookies, hair cuts or counseling services. Start to think like a professional! Believe in yourself, be honest and learn what you need to know.

4) Take risks

As parents, we tend to be nurturing, caring, careful and cautious. It's great for raising kids, but not for creating your ideal life. It's scary to leave your comfort zone, but it's also exciting. Ask yourself, if I were guaranteed success in my dream business, what would I do? Why not do for yourself what you

do for your kids every day? Nudge yourself to try something new. Challenge yourself. Let yourself climb higher than you thought possible. Don't be afraid of stumbling; you'll get back up and try again!

5) Surround Yourself With Other Inspired Entrepreneurs

I can't tell you how important it is to be supported by other like-minded people. We parents tend to work in isolation in our homes. We don't have a company water cooler where we can bounce ideas off other people. We rarely do power lunches to connect and get inspired. Evenings in the cigar room or weekends on the golf course? Forget it! But it is important to connect. To know that we are not alone with our hopes and fears. And to find answers to our questions.

Fortunately, you have many options that will help you find like-minded entrepreneurial parents. You could join other entrepreneurs online, create a support group in your neighborhood, attend networking groups or join a coaching group. Once you experience the bonding and friendship-building that goes on in the group, you'll truly appreciate how powerful it is.

Source: About.com, "Home-Based Business"; Christiane Holbrook.

**The winter issue of *The Forum*
will be available at:**

www.VirginiaLMI.com

on Friday, January 14, 2011

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